



SMALL BUSINESS ADMINISTRATION

Privacy Act of 1974; System of Records Notice

AGENCY: Small Business Administration.

ACTION: Notice of a modified system of records.

SUMMARY: The U.S. Small Business Administration (SBA) proposes to modify its system of records titled, Disaster Loan Case File, (SBA 20), to its inventory of records systems subject to the Privacy Act of 1974, as amended. Publication of this notice complies with the Privacy Act and the Office of Management and Budget (OMB) Circular A-108 and Circular A-130. System of Records Notice (SORN) Disaster Loans Case Files, (SBA 20), includes modifying the name from “Disaster Loan Case File” to “Disaster Loans Case Files”, modifying system location, contact information, authority, purpose, categories of individuals, categories of records, record source categories, routine use, storage, retention, retrieval, safeguards, record access, contesting, notification procedures, and supplemental information. SBA 20 has also expanded the scope of its system of records with additional applications and processes, serving a unique purpose for carrying out the mission of the SBA Office of Disaster Assistance.

DATES: [Submit comments on or before [INSERT DATE: 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] This revised system will be effective upon publication.

ADDRESSES: You may submit comments on this notice by any of the following methods:

Federal e-Rulemaking Portal: <http://www.regulations.gov>: Follow the instructions for

submitting comments. Mail/Hand Delivery/Courier: Submit written comments to:

Barbara Carson, Deputy Associate Administrator, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6032, Washington, D.C., 20416.

FOR FURTHER INFORMATION CONTACT: General questions, please contact Michael Yeager, Information Technology (IT) Director, Office of Disaster Assistance, U.S. Small Business

Administration, 409 3rd Street SW, Suite 6032, Washington, DC, 20416 or via email

Michael.Yeager@sba.gov, telephone 202- 205-6536. For Privacy related matters, please contact Keith A. Bluestein, Chief Information Officer/Senior Agency Official for Privacy, Office of the Chief Information Officer, U.S. Small Business Administration, 409 3rd Street SW, Suite 4000, Washington, D.C., 20416 or via email to Privacyofficer@sba.gov.

SUPPLEMENTARY INFORMATION: The Privacy Act of 1974 (5 U.S.C. 552a), as amended, embodies fair information practice principles in a statutory framework governing how Federal agencies collect, maintain, use, and disseminate individuals' personal information. The Privacy Act applies to records about individuals that are maintained in a "system of records." A system of records is a group of any records under the control of a federal agency from which information is retrieved by the name of an individual or by a number, symbol or another identifier assigned to the individual. The Privacy Act requires each Federal agency to publish in the Federal Register a System of Records Notice (SORN) identifying and describing each system of records the agency maintains, the purposes for which the Agency uses the Personally Identifiable Information (PII) in the system, the routine uses for which the Agency discloses such information outside the Agency, and how individuals can exercise their rights related to their PII information.

The modified Privacy Act system of records titled Disaster Loan Case File, (SBA 20) will be used to provide notice to applicants and recipients of disaster assistance through its Office of Disaster Assistance (ODA), which coordinates low-interest, long-term loans for damages caused by a declared disaster for individuals, businesses of all sizes, private non-profit organizations, homeowners, and renters. SBA 20 also includes loan advances and grants administered by ODA, which are available to small businesses, including sole proprietors, and private non-profit organizations.

SBA 20 collects information relating to pre-application registrants, disaster home and business loan applicants, recipients of a disaster home and business loans from the time of pre-application registration, loan advance applicants and recipients, and grant applicants and recipients.

Non-exhaustive list includes loan applications, loan advance applications, grant applications, supporting documentation, personal history, financial statements, tax information, credit information, investigative reports, appraisal reports, waivers, loan record transfers, correspondence, recommendations, authorizations, award amount, disbursement amount, loan term and rate, payment history, collateral, UCC filings and re-filings, collection and liquidation activities, settlements and compromises, bank information, field visit reports, borrower's insurance information and loan accounting information.

Major application/system components to this system of records comprise of Disaster Credit Management System(s), Shuttered Venue Operators Grant System (SVOG), Rapid Finance (RF) Portal, Ayaya Automated Interactive Voice Response (IVR), cloud services, legacy and multiple portals. The modification of SBA 20 will not have any undue impact on the privacy of individuals and its use is compatible with collection.

SYSTEM NAME AND NUMBER: Disaster Loans Case Files, (SBA 20)

SECURITY CLASSIFICATION: Unclassified

SYSTEM LOCATION: SBA DCMS Operations Center, Herndon, VA, Washington, DC, Chicago, IL, other Salesforce, and Microsoft Offsite locations within the United States; Rapid Finance in Bethesda, MD;

SYSTEM MANAGER(S): Michael Yeager, IT Director, Office of Disaster Assistance, U.S. Small Business Administration, 409 3rd Street SW, Suite 6032, Washington, DC, 20416 or via email Michael.Yeager@sba.gov, telephone 202- 205-6536.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

15 U.S.C. 634(b)(6), 44 U.S.C. 3101

The Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act, P.L. 116-260

PURPOSE(S) OF THE SYSTEM: SBA 20 collects information relating to pre-application registrants, disaster home and business loan applicants, recipients of a disaster home and business loans from the time of pre-application registration, loan advance applicants and recipients, and grant applicants and recipients.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals, businesses, principals, including sole proprietors, homeowners, renters, and non-profits.

CATEGORIES OF RECORDS IN THE SYSTEM:

Information relating to pre-application registrants, disaster home and business loan applicants, loan advance, grant applicants and recipients of loan advances, grants, disaster home and business loans. Included are name, business name, address, tax identification number, date of birth, telephone number, identification, loan information, loan advance, grant applications, supporting documents, personal history, financial statements, credit information, investigative reports, appraisers' reports, waivers, loan record transfers, correspondence, recommendations, authorizations, disbursement amount, term and rate, payment history, collateral, Uniform Commercial Code (UCC) filings and re-filings, collection and liquidation activities, financial statements, settlements and compromises, bank information, field visit reports, borrower's

insurance information and loan accounting information.

RECORD SOURCE CATEGORIES: Subject, individuals, SBA employees, SBA contractors, financial institutions, credit reporting agencies, law enforcement agencies, Treasury Department and Federal Emergency Management Agency (FEMA).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, all or a portion of the information contained in this system may be disclosed to authorized entities, as is determined to be relevant and necessary, outside SBA as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

- A. To the public on approved loans. This information includes recipient name and address, term and rate of the loan and the amount paid in full or charged off.
- B. To the public on approved loan advances and grants. This information includes recipient name, address, period of performance and amount of the loan advance or grant.
- C. To provide information to potential investors who are interested in bidding on loans made available by the Agency in a sale of assets. Investors will be required to execute a confidentiality agreement prior to reviewing any record or information.
- D. To the Federal, State, local or foreign agency or professional organization which has responsibility for investigating, prosecuting, or enforcing violations, statutes, rules, regulations or orders issued when the Agency identifies a record, either alone or in conjunction with other information, which indicates a violation or potential violation of law.
- E. To request information from a Federal, State, or local agency or a private credit agency maintaining civil, criminal, or other information relevant to determining an applicant's suitability for a loan, loan advance, or grant; this may be requested individually or part of a computer match.

- F. In response to a request from a State or Federal agency in connection with the issuance of a grant, loan or other benefit by that agency which is relevant to their decision on the matter; this may be requested individually or part of a computer match.
- G. To other Federal agencies to conduct computer matching programs to locate and identify delinquent SBA borrowers who are receiving Federal salaries or benefit payments.

Disclosure will be made if the records indicate the loan is in default, at least 30 days past due or to update a previous disclosure. SBA will make disclosures to obtain repayments of debts under the provisions of the Debt Collection Act of 1982 by voluntary repayment, or administrative or salary offset procedures.
- H. To a consumer reporting agency to also include information from the new ID Theft Form 3515.
- I. To provide the Internal Revenue Service (IRS) with access to an individual's records for an official audit to the extent the information is relevant to the IRS's function.
- J. To a court, magistrate, grand jury, or administrative tribunal, opposing counsel during such proceedings or in settlement negotiations when presenting evidence.
- K. To a Congressional office from an individual's record when that office is inquiring on the individual's behalf; the Member's access rights are no greater than the individuals.
- L. In a proceeding before a court, or adjudicative body, or a dispute resolution body before which SBA is authorized to appear or before which any of the following is a party to litigation or has an interest in litigation, provided, however, that SBA determines that the use of such records is relevant and necessary to the litigation, and that, in each case, SBA determines that disclosure of the records to a court or other adjudicative body is a use of the information contained in the records that is a compatible purpose for which the records were collected: SBA, or any SBA component; any SBA employee in their official capacity; any SBA employee in their individual capacity where DOJ has agreed to

represent the employee; or The United States Government, where SBA determines that litigation is likely to affect SBA or any of its components.

- M. To transmit data to U.S. Department of the Treasury to effect issuance of loan, loan advance, or grant funds to borrowers or recipients.
- N. To the Federal Emergency Management Agency (FEMA) to coordinate the issuance of federal disaster assistance to disaster victims and monitor for duplication.
- O. To the Department of Justice (DOJ), including offices of the U.S Attorneys, or other Federal agency conducting litigation or in proceedings before any court, adjudicative, or administrative body, when it is deemed by the SBA to be relevant or necessary to the litigation or the SBA has an interest in such litigation when any of the following are a party to the litigation or have an interest in the litigation: (1) Any employee or former employee of the SBA in his or her official capacity; (2) Any employee or former employee of the SBA in his or her individual capacity when DOJ or SBA has agreed to represent the employee or a party to the litigation or have an interest in the litigation; or (3) The United States or any agency thereof.
- P. To the National Archives and Records Administration (NARA) or General Services Administration (GSA) pursuant to records management inspections conducted under the authority of 44 U.S.C. 2904 and 2906.
- Q. To an agency or organization, including the SBA's Office of Inspector General, for the purpose of performing audit or oversight operations as authorized by law. but only such information as is necessary and relevant to such audit or oversight function.
- R. To appropriate agencies, entities, and persons when (1) SBA suspects or has confirmed that there has been a breach of the system of records, (2) SBA has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, SBA (including its information systems, programs, and operations), the Federal Government, or national security; and (3) the disclosure made to such agencies, entities,

and persons is reasonably necessary to assist in connection with SBA's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm.

- S. To another Federal agency or Federal entity, when SBA determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (1) responding to a suspected or confirmed breach or (2) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.
- T. To another agency or agent of a Government jurisdiction within or under the control of the U.S., lawfully engaged in national security or homeland defense when disclosure is undertaken for intelligence, counterintelligence activities (as defined by 50 U.S.C. 3003(3)), counterterrorism, homeland security, or related law enforcement purposes, as authorized by U.S. law or Executive Order.
- U. To SBA contractors, grantees, volunteers, interns, regulators, and experts who have been engaged by SBA to assist in the performance and performance improvement of a service related to this system of records and who need access to the records to perform this activity which may also include for regulatory purposes. Recipients of these records shall be required to comply with the requirements of the Privacy Act of 1974, as amended, 5 U.S.C. section 552a.

POLICIES AND PRACTICES FOR STORAGE OF RECORDS: Paper and electronic files.

POLICIES AND PRACTICES FOR RETRIEVAL OF RECORDS: Records are retrieved by name of individual, business name, application number, grant number, Data Universal Numbering System, cross-referenced loan number or borrower's Social Security Number or Employer Identification Number. or FEMA registration number.

POLICIES AND PRACTICES FOR RETENTION AND DISPOSAL OF RECORDS:

Records are maintained in accordance with latest edition SBA Standard Operating Procedure

(SOP) series 00 41, schedules Records Management Records and Agency Accountability Records. Records maintained as part of the General Records Schedules (GRS) are disposed of in accordance with applicable SBA policies.

ADMINISTRATIVE, TECHNICAL, AND PHYSICAL SAFEGUARDS: Access and use are limited to persons with official need to know. Users are evaluated on a recurring basis to ensure need-to-know still exists. Safeguards are implemented in accordance with the Federal Information Security Modernization Act of 2014 (FISMA) and are evaluated on a recurring basis to ensure desired operation.

RECORD ACCESS PROCEDURES: Individuals wishing to request access to records about them should submit a Privacy Act request to the SBA Chief, Freedom of Information and Privacy Act Office, U.S. Small Business Administration, 409 Third St. SW, Eighth Floor Washington, DC 20416 or FOIA@sba.gov. Individuals must provide their full name, mailing address, personal email address, telephone number, and a detailed description of the records requested. Individuals requesting access must also follow SBA's Privacy Act regulations regarding verification of identity and access to records (13 CFR part 102 subpart B).

CONTESTING RECORD PROCEDURES: Individuals wishing to contest information contained in records about them should submit a Privacy Act request to the SBA Chief, Freedom of Information and Privacy Act Office, U.S. Small Business Administration, 409 Third St. SW, Eighth Floor, Washington, DC 20416 or FOIA@sba.gov. Individuals must provide their full name, mailing address, personal email address, telephone number, and a detailed description of the records requested. Requesting individuals must follow SBA's Privacy Act regulations regarding verification of identity and access to records (13 CFR part 102 subpart B).

NOTIFICATION PROCEDURES: Individuals may make record inquiries in person at the address listed below or in writing to the Systems Manager through the SBA Chief, Freedom of Information and Privacy Act Office, U.S. Small Business Administration, 409 Third St. SW,

Eighth Floor, Washington, DC 20416 or FOIA@sba.gov.

EXEMPTIONS PROMULGATED FOR THE SYSTEM: None.

HISTORY: 74 FR 14889 (April 1, 2009); 72 FR 48312 (August 23, 2007); 69 FR 76964 (December 23, 2004); and 69 FR 58597 (September 30, 2004).

James Rivera,
Associate Administrator for Disaster Assistance,
Office of Disaster Assistance.

[FR Doc. 2021-25276 Filed: 11/18/2021 8:45 am; Publication Date: 11/19/2021]